The Effect of Merchant Characteristics and Religious Tour Visits as a Moderating Variable to Merchant Revenues  
(Study in Sunan Ampel Religious Tourism Area, Surabaya) 

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Abstract 
This study aims to determine the influence of merchant characteristics based on age, education, capital, years in business and labor to the income of merchants and to know the effect of religious tourism as moderating variable that influences the Sunan Ampel religious tourism area of Surabaya. This research used simple random sampling technique with 70 merchants as respondent. Data were analyzed using moderation regression with interaction method. The results showed age, capital and labor have a significant effect on the merchant’s income while the years in business and education have no significant effect on the merchant’s income. The result of research on religious tourism visit as moderating variable shows religious tourism visit has a moderating effect on the relationship of age, capital and business time to the merchant’s income. On the other hand, this variable has no moderating effect on the relation of labor and education to the merchant’s income. 

Keywords: age, capital, education, labor, religious tourism, the income of merchants, years in business.

INTRODUCTION 

The tourism sector is a sector that has an important role for the economic income of a country. By 2016, according to the United Nations World Tourism Organization (UNWTO) the tourism sector is able to contribute to world GDP by 10% [1]. The tourism sector is also one of the potential sectors that become the biggest economic engine or income generator in Indonesia. By 2015, the tourism sector is growing rapidly becoming one of the third foreign-exchange sectors after the oil and gas sector, as well as palm oil with a total revenue of 12.225 Trillion Rupiah [2]. Therefore, the potential of the tourism sector in Indonesia has a considerable impact on the economy of the country, thus it needs to be developed.

The tourism sector can be developed from various types of tourism in Indonesia. According to Law No. 9 of 1990 Article 16 on the type of tourism, there are various types of tourism in Indonesia, such as nature tourism, cultural tourism and artificial tourism. Indonesia is a country rich in culture. Among them, there are various ethnic, religious, racial, and customs that give birth to various activities and religious ceremonies that can create local and foreign community interest to participate in it or just to watch the activity. It is then able to give birth to tourism potential, one of which is the type of cultural tourism associated with religion related historical tourism which commonly known as religious tourism. Religious tourism is a type of tourism that is associated with religious tourism, history, culture, and belief in a particular society which made some people continue to preserve it.

The potential of religious tourism in Indonesia is inseparable from the spreading of Islam in Indonesia which leaves historical evidence worthy to be preserved and nurtured. The development of the spread of Islam in Indonesia is known to have many figures who play a role in it and to this day is still highly respected. In this study, researchers set the focus of research in the Surabaya’s religious tourism area of Sunan Ampel who is famous as one of the nine guardians (Wali Songo) that spread Islam in Java, especially in the area of Surabaya East Java. Sunan Ampel religious tourism area is known by many visitors. Visitors come from all regions of the archipelago and even some are from abroad. The impact caused by the high tourist visits is felt especially on the economic activities of local communities around the tourist area. Many of the local communities around the religious tourism area of Sunan Ampel Surabaya take advantage of this opportunity by working as a merchant. This certainly has an impact on the...
creation of new jobs for communities around the religious tourism area of Sunan Ampel Surabaya, as well as to increase the income of the community.

The income of the community in area of Sunan Ampel Surabaya is from the business of working as a merchant. The merchant's income can be influenced by various factors from merchant characteristics such as age, capital, years in business, education, and labor. Merchants' income in the Sunan Ampel religious tourism area of Surabaya is interesting to be observed since the increase in an individual merchant’s income significantly increases the income of the community. In addition, the increase in merchant income indicates that the religious tourism area of Sunan Ampel has been visited by many tourists. The high religious tourist visits are presumed to have a moderating effect on the relationship of merchant characteristics to the merchant's income in the religious tourism area of Sunan Ampel Surabaya. The income of merchants in the religious tourism area of Sunan Ampel Surabaya is interesting to be studied because the high tourist arrivals have increased the level of competition among merchants due to the large number of merchants and the similarity of business type among those merchants. Therefore, the formulation of the problem in this study is how the merchant characteristics (based on age, capital, years in business, education, and labor) affecting the income of merchants and how the religious tourist visits as moderating variables influence the relationship of merchant characteristic to merchant’s income.

LITERATURE REVIEW

Tourism

Law of the Republic of Indonesia No. 10, year 2009 on tourism has stated that tourism is a travel activity undertaken by a person or group of people by visiting a certain place for recreational purposes, personal development, or studying the uniqueness of tourist attraction in a non-permanent visit. According to Law No. 9 of 1990 Article 16 on the type of tourism, there are various types of tourism in Indonesia, including the nature tourism which is a tour that utilizes natural resources as a tourist destination. The next type is a cultural tourism which is a tour that utilizes history, customs or culture of the nation to serve as a tourist destination. In addition to the aforementioned types, there is artificial or special interest tourism which is a tour that utilizes natural resources and the potential of cultural arts that can generate special interest for travel.

The development of the tourism sector aims to improve the quality of life and the welfare of the community of tourist areas that will ultimately provide benefits to the fulfillment of community needs. The success of tourism development is determined by 3 factors namely, the availability of objects and attractions, the facilities and infrastructure that allows tourists to visit a region or tourist area and has a target tourism that can provide comfort or impact to society [3].

Tourism Economics

Tourism activities in the economic aspect cannot be separated from the demand and supply for goods and services in the tourist area. Demand is defined as a number of goods and services that can be purchased at a certain time and price [3]. Goods and services which are expected to be purchased in tourist area usually different from one to another area so that goods and services available must be tailored to the needs of tourist visitors. Yoeti [3] also explained that in the context of economics, supply is defined as a number of goods, services, products or commodities, which are available in markets ready for sale to consumers in need. In tourism, supply includes all products and services produced by a group of tourism industry companies as suppliers that offer to tourists who come directly or who buy through travel agents in which case the travel agents act as an intermediary.

Religious Tourism

Religious tourism is a kind of tourism related to religion. Pilgrimage or religious tourism is a kind of tourism that is somewhat associated with religion, history, customs and beliefs of people or groups in the community [5]. Pilgrimage or religious tourism mostly done by individuals or entourage to the holy places, the tombs of a great man or an exalted leader, to a hill or mountain considered sacred, the burial place of a character or a leader as a magical man full of legends. Pilgrimage tourism or often referred to as pilgrim tours, is a type of tourism where the purpose of the trip is to see or witness religious ceremonies [6].

In Islamic tradition, the grave pilgrimage is part of religious ritual and is one of the recommended worship. In the hadith of the Prophet SAW the command of the pilgrimage of
Reference to text:

Merchant in Sunan Ampel Religious Tourism Area (Lestari, et al.)

the grave states that "I (the Prophet) do not forbade you pilgrimage grave, so now pilgrimage your grave, because the grave pilgrimage can soften the heart, can make tears running and remember the existence of ahirat, and do not utter bad words "(HR Hakim). Thus, religious tourism in the form of grave pilgrimage is recommended to be done because it provides benefits in remembering death or the realm of ahirat (afterlife) and we can also pray for the ones who has passed away.

Theory of Production

Production is a way on how resources (inputs) can be used to produce a product (output). Production function is a function or equation that shows the relationship between the combination of input usage and output level per unit of time [7]. In this model, the relationship between input and output is arranged in a production function which can be formulated in general as follows:

\[ Q = f(K, L, M) \]

Description:
Q = the number of outputs generated over a given period
K = amount of capital used
L = amount of labor used
M = another variable that is likely to affect production

Theory of Profit

In general, the main goal of a firm is to obtain profit. Profit is defined as a reward for the firm's efforts to produce goods and services [8]. Theoretically, profit is the value of total firm revenue minus the total cost incurred. Profit can be calculated by the formula below.

\[ \pi = TR - TC \]

Profit (\(\pi\)) is derived from total income (TR) which represent the amount of output sold (Q) multiplied by the price per unit (P). While the total cost (TC) is the sum of fixed costs (FC) and variable costs (VC). The profit formula can be written as follows.

\[ \pi = TR - TC = (P \times Q) - (FC + VC) \]

Thus, this study used the net income or often called profit.

Merchant Characteristic Factors

Age

It determine the ability of merchant to work productively. The age factor is based on the biological aspects of the age of the population grouped, among others, the yet to be productive age (aged 0-14), the productive age (15-64 years) and the non-productive age population (65 years and above). Age is usually used as a benchmark or indicator of a person's maturity level. The more mature a person is the greater the responsibility, so that someone who is married have to work to meet the needs of his life and his family [9].

Capital

It can be used to perform the production process to meet the needs of the merchant's business. Capital is a factor of production which is very important in determining income level, but not the only factor that can increase income [10].

Years in business

It plays an important role in the process of doing a business. The number of years spent in doing a business will affect businessman productivity so that it can increase efficiency and reduce production costs to a point where it is smaller than the sales [10].

Education

The purpose of a person's education is to get a better job. The level of education undertaken by a person can determine his future, therefore education becomes a mandatory government program which is a process of continuing the transfer of language, skills, experience and knowledge from one generation to the next in order to live in the community [11]. In addition, education can bring changes in the business built or being run by business actors [12].

Labor

It usually influenced by wagerate or income received. Labor is associated with the wage rate, then a person's decision to work will be influenced by the person's income level [13].

Religious Tour Visits as a Moderating Variable

Religious tour visits are tourists who come to a religious tourism object. Tourist visits have an impact on the economic activities of the people around the tourism object. These activities are related to demand and supply theory. Request made by visitors who usually take the time to shop to get souvenirs at the tourist attractions. Offer made by the community who work as a merchant in offering goods needs of tourist visitors. A tourist attraction that is visited by many tourists can affect the increase in the merchant's revenue because there are many transactions of buying and selling goods or
services at tourist attractions. Therefore, a tourist visit may moderate a merchant’s income which means tourist visits as a moderating variable. Moderating variables are used to strengthen or weaken the influence of one variable towards another [14]. Thus, religious tour visits are used as moderating variables because they are presumed to be able to moderate the influence of the merchant’s characteristics to the merchant’s income.

**MATERIALS AND METHOD**

**Study Area**

This research used quantitative approach. Quantitative approaches were used to examine the population and specific samples, data collection used research instruments and quantitative data analysis/statistics, with the aim to test the hypothesis that has been set [15]. This research was conducted at Sunan Ampel Religious Tourism Surabaya which is located at Street of KH Mansyur Ampel Urban Village, Semampir, Surabaya, East Java. The research was conducted in May-July 2017.

**Data Collection**

Sources of data used are primary data with questionnaires, interviews and documentation. In this research, the sampling method used is simple random sampling because the population from which the sample are taken tend to be homogeneous. The population were merchants who set up shop in the religious tourism area Sunan Ampel Surabaya. In this study based on Roscoe’s opinion in Sugiono [15], the number of samples used in the multivariate analysis is calculated at least 10 times the number of research variables used. In this study, the variables used are 7 variables consisting of the dependent variable which is the merchant’s income and independent variables which comprised of age, capital, years in business, education, and labor and tourist visits as moderating variables. Thus, the number of sample used in this study is in the amount of 7 x 10 = 70 respondent merchants in the religious tourism area Sunan Ampel Surabaya.

**Data Analysis**

The analytical method used was moderation analysis with interaction method. The interaction test is called Moderated Regression Analysis (MIRA). Interaction test was done by multiplying the variables hypothesized as moderating variables with independent variables. If the multiplication variable between the independent variables and the hypothesized variables as significant moderation variables, it can be concluded that the variables hypothesized as moderating variables is really moderate the relationship between independent and dependent variables. The regression equation with the interaction method is as follows:

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \beta_9 X_9 + \beta_{10} X_10 + e \quad (1) \]

**Description:**

<table>
<thead>
<tr>
<th>( Y )</th>
<th>( X_1 )</th>
<th>( X_2 )</th>
<th>( X_3 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merchant Revenue</td>
<td>Labor</td>
<td>Age</td>
<td>Capital</td>
</tr>
</tbody>
</table>

The classical assumption test is performed to produce an accurate data analysis, in which a regression model must satisfy the assumptions of data normality, and be free of the elements of multicollinearity and heteroscedasticity. F test was used to determine the simultaneous effect of all independent variables on dependent variable. T test used to determine the partial effect of independent variables on the dependent variable. Coefficient of determination used to measure how far the model’s variation of independent variables able to explain its dependent variable.

**RESULT AND DISCUSSION**

**Data of Merchants Respondent**

The data collected in this study (Table 1) shows that from 70 respondent merchants in the religious tourism area of Sunan Ampel Surabaya, the majority age group is 30-39 years by 43% followed by the age group of 40-49 years by 24%. The rest is the age group of 20-29 years with 20% and 50-59 years with 13%. Based on gender, the majority of respondents are male (56%), while female respondents were 44%. Based on education, the majority of merchants in the religious tourism area of Sunan Ampel Surabaya are high school, vocational, Islamic high school graduates (59%). Merchants who have undergraduate title are 20%. In addition, merchants whose education level is elementary school graduate were 13%, while merchants who have completed education up to junior high school are 9%.

Based on the workforce who was employed by merchants in the religious tourism area of Sunan Ampel Surabaya, most merchants only employed 1 person (39%). In the next data,
merchants who have no workforce are 30%. However, there are also merchants who employed more than 1 person, i.e., merchants who employed 2 persons (26%) and merchants who employed 3 persons (6%). Based on the years in business, data shows that the majority of merchants in the area of religious tourism Sunan Ampel Surabaya have done the business for 11-15 years (33%). Other groups related to this characteristic are 6-10 years (29%), 1-5 years (20%), 16-20 years (13%) and the merchants who have been in the business for more than 20 years amount to 4 respondents (6%).

<table>
<thead>
<tr>
<th>Factors</th>
<th>Data of Respondent</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (years old)</td>
<td>20–29</td>
<td>14</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>30–39</td>
<td>30</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td>40–49</td>
<td>17</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>50–59</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Gender</td>
<td>Man</td>
<td>39</td>
<td>56</td>
</tr>
<tr>
<td></td>
<td>Woman</td>
<td>31</td>
<td>44</td>
</tr>
<tr>
<td>Education</td>
<td>Elementary School</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Junior High School</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Senior High School</td>
<td>13</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>School/Vocational High School</td>
<td>41</td>
<td>59</td>
</tr>
<tr>
<td></td>
<td>Islamic High School</td>
<td>14</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Undergraduate (Diploma 1/ Diploma 2/ Diploma 3/Bachelor)</td>
<td>14</td>
<td>20</td>
</tr>
<tr>
<td>Labor (person)</td>
<td>0</td>
<td>21</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>27</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>18</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Years in Business (year)</td>
<td>1–5</td>
<td>14</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>6–10</td>
<td>20</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>11–15</td>
<td>23</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>16–20</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>&gt;20</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Capital (million rupiah)</td>
<td>1–5</td>
<td>15</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>6–10</td>
<td>20</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>11–15</td>
<td>18</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>16–20</td>
<td>12</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>&gt;20</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Income (million rupiah per month)</td>
<td>&lt;1</td>
<td>15</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>1–2</td>
<td>28</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>3–4</td>
<td>20</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>&gt;4</td>
<td>7</td>
<td>10</td>
</tr>
</tbody>
</table>

Based on the capital (in Rupiah), the data shows that the majority of merchants in the religious tourism area of Sunan Ampel Surabaya start their business by using capital of 6-10 million (29%). Furthermore, the capital used by merchants in starting their business of 11-15 million amount to 26%. In addition, there are merchants who start their business by using capital of 1-5 million for 21%. Merchants who start their business using capital of 16-20 million are 17% and merchant who started his business with capital of more than 20 million are 7%. Based on the income, the majority of merchants in the religious tourism area of Sunan Ampel Surabaya have an income of 1-2 million rupiah per month by 40%. Furthermore, merchants whose income are 3-4 million per month are 29%. Merchants in Sunan Ampel religious tourism area whose income is <1 million per month are 21% and merchants with income more than 4 million per month are only 10%. The afore mentioned respondents data can be presented as follows (Table 1).

In this study, tourist visit data in the religious tourism area of Sunan Ampel Surabaya in the period of May - July 2017 is used as the base data for the moderating variable to the merchant’s income. The data shows that religious tour visits in the area of religious tourism Sunan Ampel Surabaya have increased in May - July 2017. In May the number of tourist visits amounted to 58,932 people then increased by 62,264 people or as much as 5%. However, in July tourist visits decreased by 60,586 or as much as 3%.

Moderating Analysis with Interaction Method

Based on Kolmogorov Smirnov Test value on the first, second, and third equation the Asymp value. Sig (2-tailed) is 0.200> 0.05, the data used have normal distribution and fulfill the normality assumption. All the variables in each equation model do not have multicolinearity because all variables have VIF values smaller than 10, thus it can be said that there is no multicollinearity. In the Glejser test results which is done by regressing the absolute value of the residual to the independent variable, the significance of the variable in each model has no significant effect because the level of significance above 0.05. Therefore, it implied that every variable in the three equation models do not have heteroscedasticity. Regression equation based on result of moderating analysis with interaction method are as follows.

\[
Y = 262,575.508 + 3,470.433(X_1) + 0.101(X_2) 
- 10,234.668(X_3) + 705,618.106(X_4) 
- 88,059.889(D_1) + 389,143.406(e) \quad \text{........... (1)}
\]

\[
Y = 5,204,185.539 + 3,810.622(X_1)
+ 0.099(X_2) - 13,584.792(X_3)
+ 723,528.341(X_4) - 98,869.517(D_1)
+ 84,863.747(Z) + 8,635,734.734(e) \quad \text{........... (2)}
\]

\[
Y = 35,198,865.809 + 34,734.186(X_1)
+ 0.122(X_2) + 81,334.782(X_3)
+ 317,468.332(X_4) + 207,631.210(D_1)
+ 580,415(Z) + 0.359(U, Z)
- 0.639(M, Z) - 1,541.485(LU, Z)
+ 1.775(TK, Z) + 1.169(P, Z)
+ 16,618,567.210(e) \quad \text{........... (3)}
\]
Based on the analysis, it is known that the variables of age, capital and labor have a significant effect on the merchant’s income while the old variable of business and education have no significant effect to the merchant’s income. In the result of t-test or partial test in the second equation, the following results are obtained (Table 3).

### Table 2. t Test for Equation (1)

<table>
<thead>
<tr>
<th>Variable</th>
<th>T count</th>
<th>T table</th>
<th>Sig</th>
<th>Exp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>2.158</td>
<td>1.99773</td>
<td>.035</td>
<td>Sig</td>
</tr>
<tr>
<td>Capital</td>
<td>8.606</td>
<td>1.99773</td>
<td>.000</td>
<td>Sig</td>
</tr>
<tr>
<td>Year in Business</td>
<td>-.543</td>
<td>1.99773</td>
<td>.589</td>
<td>Not sig</td>
</tr>
<tr>
<td>Labor</td>
<td>6.291</td>
<td>1.99773</td>
<td>.000</td>
<td>Sig</td>
</tr>
<tr>
<td>Education</td>
<td>-.474</td>
<td>1.99773</td>
<td>.637</td>
<td>Not sig</td>
</tr>
</tbody>
</table>

**Notes:** Sig = Significant, Not Sig = Not Significant

In the second equation, regression is applied to free variables and variables hypothesized as moderating variables to the dependent variables, by using two way test that is $\alpha = 0.05$ and $df = n - k = 70 - 7 = 63$, hence got t table equal to 1.99834. Based on the analysis, it is known that the variables of age, capital, and labor have a significant effect on the merchant’s income, while the variable of years in business and education have no significant effect on the merchant’s income. In addition, tourist visits hypothesized as moderating variables have no significant effect on merchant’s income. In the result of t-test or partial test on the third equation, the following results are obtained (Table 4). In the third equation, regression is applied to free variable. The variable hypothesized as moderating variable and interaction variable (multiplication of free variable with variable which hypothesized as moderating) to dependent variable, by using 2-way test that is $\alpha = 0.05$ and $df = n - k = 70 - 12 = 58$. Hence, t table was equal to 2.00172. The analysis results shows that 4 variables (age, capital, years in business, and labor) has a significant effect on the merchant’s income. While the variable of education do not have significant effect to the merchant’s income.
Merchant in Sunan Ampel Religious Tourism Area
(Lestari, et al.)

Table 4. t Test for Equation (3)

<table>
<thead>
<tr>
<th>Variable</th>
<th>T count</th>
<th>T table</th>
<th>Sig</th>
<th>Exp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>3.276</td>
<td>2.00172</td>
<td>.002</td>
<td>Sig</td>
</tr>
<tr>
<td>Capital</td>
<td>9.863</td>
<td>2.00172</td>
<td>.000</td>
<td>Sig</td>
</tr>
<tr>
<td>Year in Business</td>
<td>2.917</td>
<td>2.00172</td>
<td>.005</td>
<td>Sig</td>
</tr>
<tr>
<td>Labor</td>
<td>2.406</td>
<td>2.00172</td>
<td>.019</td>
<td>Sig</td>
</tr>
<tr>
<td>Education</td>
<td>1.588</td>
<td>2.00172</td>
<td>.118</td>
<td>Not Sig</td>
</tr>
<tr>
<td>Tourist Visits</td>
<td>2.070</td>
<td>2.00172</td>
<td>.043</td>
<td>Sig</td>
</tr>
<tr>
<td>Interaction: age and tourist visit</td>
<td>2.162</td>
<td>2.00172</td>
<td>.035</td>
<td>Sig</td>
</tr>
<tr>
<td>Interaction: capital and tourist visit</td>
<td>-2.986</td>
<td>2.00172</td>
<td>.004</td>
<td>Sig</td>
</tr>
<tr>
<td>Interaction: year in business and tourist visit</td>
<td>-3.399</td>
<td>2.00172</td>
<td>.001</td>
<td>Sig</td>
</tr>
<tr>
<td>Interaction: Labor and tourist visit</td>
<td>.662</td>
<td>2.00172</td>
<td>.511</td>
<td>Not Sig</td>
</tr>
<tr>
<td>Interaction: education and tourist visit</td>
<td>3.348</td>
<td>2.00172</td>
<td>.729</td>
<td>Not Sig</td>
</tr>
</tbody>
</table>

Notes: Sig = Significant, Not Sig = Not Significant

In addition, the variable of tourist visit that hypothesized as moderating variable has significant effect to the merchant's income. In the analysis result of interaction variable, it is known that the interaction variable of age-tourist visit, capital-tourist visit variable, and business-tourist visit have significant effect to the merchant's income. While the interaction variable of labor-tourist visit and education-tourist visit have no significant effect to the merchant's income. The moderation test in this research consider the condition if:
- the second equation on the variable of tourist visit which hypothesized as moderating variable did not have a significant effect to the merchant's income
- the third equation has a significant effect to the merchant's income
- and there are interaction variables which have significant effect to the merchant's income

The tourist visit variable is categorized as the pure moderator variable between the merchant's characteristic variable (age, capital, years in business, labor, education) on the merchant's income. The conclusion of tourist visit as moderating variable which moderate the effect of merchant's characteristic (age, capital, years in business, labor, education) to merchant's income are tourist visit moderate the effect of age, capital and years in business to merchant income; while tourist visit did not moderate labor and education effect to the merchant's income.

The Effect of Age and Religious Tour Visits to The Merchant's Income

The regression analysis showed that age had significant effect on the merchant's income and the tourist visit moderated the effect of age to the merchant's income. This illustrates that age can be used as a benchmark of income levels of a person from the activities undertaken.

Activities of a person's age are usually distinguished between pre-productive, productive and non-productive ages. This study found that the majority of merchants age in the religious tourism area Sunan Ampel Surabaya are inside the group of productive age in the range of 30-39 years. At a productive age, a person has a strong physical and ability to think and act well which enable them to reach high productivity in their activities. Merchant productivity can be reflected from the level of sales made.

Productive age usually has a responsibility to meet the needs of his life and his family so that one needs to work hard to earn an income. This research found that majority of merchant in Sunan Ampel religious tourism area have 1-3 dependents (53%). Other number regarding this matter are merchants with 0 dependent (34%), with 4-6 dependent (10%) and with more than 6 dependents (3%). Thus, the age of merchants in the religious tourism area of Sunan Ampel affects the responsibility in fulfilling the needs of their dependents which motivate them to work hard to earn income.

This study also concluded that age affects income and tourist visits moderate this effect. The findings of this study are supported by previous research which showed that the factors influencing the performance of merchants is measured from net income. There is a significant relationship between the age factor of merchants to the level of net income of street vendors in Yogyakarta city [16]. Thus, the age of merchants in the religious tourism area of Sunan Ampel affect the productivity of merchants and subsequently affecting the level of sales which in turn will affect the income of merchants. In addition, tourist visits that moderate the age of the merchant's income are reflected in the number of items sold and the income generated during the peak season of tourist visits.
The Effect of Capital and Religious Tour Visits to The Merchant’s Income

The regression analysis shows that capital has significant effect to the merchant’s income and the tourist visit moderate this effect. This finding illustrates that capital is used as a factor of production which is included in the input in the form of business capital which then produces output in the form of goods sold so as to obtain income. Merchants’ initial capital are primarily used to start the business. In the long run if the business develops well then the amount of capital can be increased which in turn can be used to increase the inventory of goods sold.

Merchant’s capital usually affects the size of the established business. Large firms are reflected from the inventory of goods sold and the breadth of the place of trade, and vice versa. This study found that the majority of merchants in the area of Sunan Ampel religious tourism start its business by using capital of 6-10 million rupiah, thus these merchants can be categorized as small or medium firms. Another reasoning for categorizing them as small or medium firms are the similarity of goods sold e.g. souvenirs, clothing, food so that the inventory of goods sold are small and the relatively small business premises.

The results shows that capital is affecting income and tourist visits moderate this effect. The findings of this study are supported by previous research that explained capital factor have positive and significant effect to the earnings of small industry entrepreneurs in the Regency of Dairi [17]. The merchant’s capital in the tourist area of Sunan Ampel were used to open a trading business by producing goods which in turn has a positive effect on their income and when tourist visits increase the income of merchants will increase as well.

The Effect of Year in Business and Religious Tour Visits to The Merchant’s Income

The regression analysis results show that the years in business has no significant effect on the merchant’s income. This illustrates that in the religious tourism area of Sunan Ampel has high competition among merchants that are usually influenced by the same type of business among merchants such as souvenirs merchants, food, clothing and pilgrimages. This research found that the majority type of merchant business in the religious tourism area of Sunan Ampel are souvenir and clothing amount to 29 merchants or 41%. Souvenirs merchants only 27%, food merchants 19%, and clothing merchants 13%. Thus, the number of merchants with the same type of business makes the higher competition among merchants that cause years in business has no effect on income.

However, the results of moderating analysis indicate that religious tour visits moderate the effect of years in business to the merchant’s income. This illustrates that the number of years the merchant spent on the business usually affects the merchant’s experience in running his business. The merchant’s experience from the years in business may be related to the merchant’s knowledge of the consumer’s appetite for the goods offered as well as the merchant’s ability to provide services to the consumers with the aim of establishing good relations and image.

The findings of this study are supported by previous research conducted which showed that the years in business does not affect the income of small-scale tile industry in Majalengka Regency [18]. Meanwhile, another study showed that the years in business has a significant effect on the income of merchants in Art Market of Sukawati in Gianyar regency [19].

The years in business does not affect the income of merchants in the religious tourism area of Sunan Ampel Surabaya because there is high competition among merchants. However, this study also found that tourist visits moderate the effect of years in business to the merchant’s income in the religious tourism area of Sunan Ampel Surabaya because the merchant’s experience of consumer tastes can increase their business.

The Effect of Labor and Religious Tour Visits to The Merchant’s Income

The regression analysis results show that labor has a significant effect on the merchant’s income. This illustrates that in the religious tourism area of Sunan Ampel, the workforce owned by merchants is very helpful in obtaining income. The findings of this study are supported by previous research which explained the workforce has a positive and significant effect on the income of street vendors in the District of West Denpasar [20].

Nevertheless, this study found that tourist visits did not moderate the effect of labor to merchant income. This illustrates the number of workforce owned by merchants do not affect the visitor preference in buying goods. It may be that the employed workforce were not too productive.
in offering goods. Labor productivity is usually influenced by wages earned. This research found that the majority of salary or wage given by the merchant to his workforce in the religious tourism area of Sunan Ampel is 600 thousand - 1 million rupiah (37%). Other level of wages paid are 100 - 500 thousand rupiah (33%). There are 21 respondents (30%) who do not have a workforce so there is no need to provide wage. Thus, the productivity of labor is influenced by the level of wages provided so that when the wages provided by merchants are still less than appropriate, the productivity of labor will also be less than the maximum.

The results of data analysis in this study show that the workforce affects the income of merchants. This illustrates that the workforce owned by merchants can assist them in running their business. Meanwhile, the tourist visit does not moderate the effect of workforce to the merchant's income which may be due to the productivity of labor that is less than the maximum because the level of wages are less than appropriate.

The Effect of Education and Religious tour visits to The Merchant's Income

The regression analysis showed that education has no significant effect on the merchant's income. This illustrates that in the Sunan Ampel religious tourism area merchant who has higher level of education on average has no difference in obtained income compared to the merchants who have lower levels of education. This might happen because the high competition between merchants caused by the same type of business in the area may not be affected by the educational background of merchants. In turn, it has no effect on income. The type of business in the Sunan Ampel religious tourism area consisted of food, souvenirs and clothing which does not require any special skills of a certain level of education, thus when highly educated merchants can earn high revenues, merchants with low education (elementary or junior high school graduates) can earn the same.

This study also found that the visit of religious tourism does not moderate the effect of education to the merchant's income. Tourist visitors as buyers usually do not pay attention to the level of merchants' education. They only concerned with the quality of the goods or the services that the merchant provides. Therefore, the level of education does not have a relationship with the tourist visitors as a buyer, thus not affect the merchant's income.

The findings of this study are supported by previous research in Banjaranegara. The study showed that the success of the business is measured from the income level of the ceramic crafts' business. The level of education does not affect the success rate of the ceramic handicraft business in Klampok, Banjaranegara [21]. Another study found that the level of education has a negative and insignificant effect on the success of the yellow rice stalls business in Jepara regency [22]. Thus, education does not affect the merchant's income because the high competition between merchants with the same type of business and does not require special skills to affect the merchant's income. In addition, religious tour visits do not moderate education towards merchant revenue because religious tourism visitors as buyers do not pay attention to education when buying goods sold by merchants.

CONCLUSION

The study showed that age, capital and labor significantly influence the merchant's income while the years in business and education have no significant effect on the merchant's income. Interaction of age-tourist visit, capital-tourist visit, and years in business-tourist visit have significant effect to the income of merchants. While the interaction of labor-tourist visits as well as education-tourist visits have no significant effect on the merchant's income. Therefore, religious tour visits moderate the relationship of age, capital and years in business to merchant income while religious tour visits do not moderate labor relations and education to merchant income.

Recommendation

1. Capital is a much needed factor to support business development in the religious tourism area of Sunan Ampel. Therefore, Surabaya city government needs to cooperate with banking institutions to provide ease in providing capital assistance so that business merchants are growing and their income is increasing. Furthermore, the Surabaya city government also needs to provide training on capital management so that the business run by the merchant can be sustainable.

2. Workforce employed by merchants in the religious tourism area of Sunan Ampel Surabaya has a high working hours so the merchants need to provide an appropriate wage in order to increase labor productivity.
3. Tourists in the religious tourism area of Sunan Ampel Surabaya has always been increasing especially in the Islamic holidays. Therefore, the Surabaya municipal government and the management of the Sunan Ampel Foundation need to give attention to the convenience of visitors by paying attention to public facilities and services such as parking lot, toilets and cleanliness of tourist attractions.

4. Department of Tourism in cooperation with the city government of Surabaya and the board of the Sunan Ampel foundation need to have a good record regarding the visitors who come to the religious tourism area of Sunan Ampel Surabaya with a systematic and accountable procedures

REFERENCES